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Automotive Classified:

A Study of Prospect Status, Readership & Interest.

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Automotive Classified:

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AUTOMOTIVE CLASSIFIED:

A STUDY OF PROSPECT STATUS, READERSHIP AND INTEREST

This is one of a series of marketing research reports prepared by the Newspaper Advertising Bureau, Inc., as a service to the newspaper business and its advertisers.

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HIGHLIGHTS

- Many Americans have a continuing love affair with automobiles. In response to a question about their general interest in cars, 33% of the respondents in this national survey say that they "try to keep up" with the automotive market. Interest runs especially high among men (at 47%); adults under 25 years old (53%); those with college backgrounds; and people with household incomes of $15,000 and over. (Table 1)

- Among those who like to keep up with cars, the main information source is classified advertising in the daily and Sunday newspaper. 59% of those who want general information about cars, car prices or financing mention classified advertising, dealer advertising or some other part of their daily or Sunday newspaper. No other information source receives even one third as many mentions. (Table 2)

- A car is also a necessity for most Americans: 77% of the respondents in this survey report owning one or more. Before they are 25 years old, more than six out of ten young adults (64%) have already acquired cars, and the level of ownership reaches a high of 86% between the ages of 25 and 54. (Table 3)

- In spite of the automobile's importance and appeal, only a small proportion of adults (5%) are actively in the market for a car at any given point in time. Another 22% admit that they might be tempted by "a good buy" even though they are not "looking" at the moment. Active interest in a car is highest (at 11%) among those under 25 years old. (Table 4)

- On an average weekday or Sunday, 18% to 19% of all newspaper readers look at one or more categories of automotive classified advertising. Readership is highest for the familiar "New Cars" (12%) and "Used Cars" (13%) classifications, but more specialized headings like "Trucks" (6%), "Sports Cars" (5%), and "Recreational Vehicles" (5%) also attract readers. For almost all classifications, readership is highest among men and those under 25 years old. (Table 5)

- Browsing in the automotive classified can trigger buying interest even among secondary prospects and those who "aren't interested" in buying right now. In fact, people who <u>don't</u> describe themselves as actively looking for a car nevertheless read automotive classified and can become interested in the advertising and decide to follow it up. (Table 6)

HIGHLIGHTS (continued)

- The combination of an ongoing interest in cars and rapidly shifting prospect status makes automotive classified a massive marketplace. The results of this research indicate that in a single week an estimated 28 million Americans read the automotive classified pages. About nine million become interested in one or more of the ads they see, and about three million decide to follow up one or more ads. (Table 6)

- Apart from their feelings toward cars, about seven out of ten adults express highly positive feelings toward classified advertising in the daily and Sunday newspaper. When asked to rate classified advertising on a five-point scale, 66% give classified advertising favorable marks for being helpful; 67%, for making it easy to find what you want; and 70%, for being a good place to advertise. (Table 7)

Table 1

General Interest in Information on Cars
(by demographics)

	Unweighted Base: = 100%	Percent Who "Try to Keep Up"
Total adults	1,174	33%
By sex:		
Men	504	47%
Women	670	22
By age:		
18-24 years	141	53%
25-34 years	283	40
35-44 years	215	36
45-54 years	154	34
55-64 years	157	24
65 years or older	215	15
By education:		
College graduate	199	38%
1-3 years college	241	44
High school graduate	420	33
Some high school or less	298	26
By household income:		
$35,000 and over	219	35%
$25,000 - $34,999	159	45
$15,000 - $24,999	233	39
Under $15,000	401	28
By newspaper edition:		
Weekday edition	439	34%
Sunday edition	174	34

Question: Apart from any immediate interest you have in buying a car, do you generally try to keep up with what's available--new models or features, list prices or finance terms, etc?

Table 2

Main Source of Information on Cars

	Percent Mentioning[a]
Classified ads, daily or Sunday newspaper[b]	59%
Television, TV	18
Friends, relatives, coworkers	17
Car dealers, lots	12
Magazines	11
Weekly newspaper, classified	5
Radio	2
All other mentions	11
Base: Those who like to "keep up" with cars = 100%	(382)

Question: What is your main source of information about cars, prices and financing? (IF NEWSPAPER MENTIONED) What parts of the newspaper give you the most information about cars, car prices and financing?

a) Total exceeds 100% because of multiple mentions.

b) Responses to the initial question and the probe indicate that the specific source of information was classified advertising for 44%; dealer ads (which are also classified advertising) for 9%, and some other part of the daily or Sunday newspaper for 6%.

Table 3

Current Automobile Ownership
(by demographics)

	Own Car	Do Not Own
Total adults	77%*	23%
By sex:		
Men	84%	16%
Women	71	29
By age:		
18-24 years	64%	36%
25-34 years	86	14
35-44 years	86	14
45-54 years	86	14
55-64 years	78	22
65 years or older	61	39
By education:		
College graduate	92%	8%
1-3 years college	85	15
High school graduate	77	23
Some high school or less	62	38
By household income:		
$35,000 and over	90%	10%
$25,000 - $34,999	94	6
$15,000 - $24,999	85	15
Under $15,000	61	39

Base: Total respondents = 100%

(See Appendix Base Table 1 for unweighted bases.)

* According to the 1985 Study of Media & Markets by Simmons Market Research Bureau, 78.6% of all adults report that they, or someone else in their household, currently own one or more cars.

Table 4

Automotive Prospect Status
(by demographics)

	Active Prospect	Secondary Prospect	All Other
Total adults	5%	22%	73%
By sex:			
Men	7%	26%	67%
Women	4	18	78
By age:			
18-24 years	11%	39%	50%
25-34 years	8	27	65
35-44 years	6	27	67
45-54 years	5	15	80
55-64 years	1	19	80
65 years or older	-	6	94
By education:			
College graduate	6%	27%	67%
1-3 years college	8	28	64
High school graduate	5	20	75
Some high school or less	3	17	80
By household income:			
$35,000 and over	5%	25%	70%
$25,000 - $34,999	7	23	70
$15,000 - $24,999	5	28	67
Under $15,000	5	19	76

Base: Total respondents = 100%

(See Appendix Base Table 1 for bases.)

Question: Which statement on this card best describes your own interest in buying a car right now?

I am actively looking for a car (another car).
I am not looking but would consider a car if a good buy came along.
I have absolutely no interest in a car.

Table 5

Readership of Automotive Classified Advertising
Among Readers of Yesterday's Newspaper

	Net (Any Automotive)	New Cars	Used Cars
Total adult readers	18%	12%	13%
By sex:			
Men	26%	16%	18%
Women	11	7	8
By age:			
18-24 years	32%	22%	25%
25-34 years	18	12	14
35-44 years	15	8	11
45-54 years	18	11	15
55-64 years	22	11	9
65 years or older	12	9	9
By education:			
College graduate	18%	15%	10%
1-3 years college	23	17	17
High school graduate	18	9	12
Some high school or less	16	9	13
By household income:			
$35,000 and over	17%	12%	11%
$25,000 - $34,999	24	16	16
$15,000 - $24,999	22	10	14
Under $15,000	17	8	14
By newspaper edition read yesterday:			
Weekday edition	18%	12%	13%
Sunday edition	19	11	12

Base: Qualified yesterday readers with classification in newspaper read = 100%

(See Appendix Base Table 2 for unweighted bases.)

Table 5 (continued)

Readership of Automotive Classified Advertising
Among Readers of Yesterday's Newspaper

	Trucks	Sports Cars	Recreational Vehicles
Total adult readers	6%	5%	5%
By sex:			
Men	10%	7%	7%
Women	3	3	3
By age:			
18-24 years	10%	15%	8%
25-34 years	4	3	2
35-44 years	7	7	5
45-54 years	11	7	8
55-64 years	6	-	5
65 years or older	3	2	4
By education:			
College graduate	7%	9%	5%
1-3 years college	8	7	6
High school graduate	6	4	5
Some high school or less	6	1	5
By Household income:			
$35,000 and over	4%	5%	3%
$25,000 - $34,999	10	8	8
$15,000 - $24,999	6	4	7
Under $15,000	7	3	3
By newspaper edition read yesterday;			
Weekday edition	6%	5%	5%
Sunday edition	9	6	7

Base: Qualified readers with classification in newspaper read = 100%

(See Appendix Base Table 2 for unweighted bases.)

Table 6

Readership, Interest and Follow-up of Automotive Classified
(Total U.S. adults, by prospect status)

	Total Adults (000s)	Active Prospects (000s)	Secondary Prospects (000s)	All Others (000s)
Projected totals	171,205*	9,210	37,375	124,620
Readership:[a]				
Yesterday	19,070	2,460	7,125	9,485
Past week	8,680	1,530	3,830	3,320
Total for 7-day week	27,750	3,990	10,955	12,805
Interest:				
Yesterday	5,840	990	2,645	2,205
Past week	3,080	590	1,455	1,035
Total for 7-day week	8,920	1,580	4,100	3,240
Follow-up:				
Yesterday	1,880	460	725	695
Past week	1,200	325	420	455
Total for 7-day week	3,080	785	1,145	1,150

* Source for estimate of total adult population:
Simmons Market Research Bureau, 1986 Study of Media & Markets

Questions: Did you read or look at any of the ads for _____ (new cars, used cars, etc.)? Did you see any ads for (TYPE) that you might be interested in? Did you follow up on any of the ads you saw for (TYPE)? (If "NO") Do you intend to follow up on any of the ads you saw for (TYPE)?

a) Note that "yesterday" denotes only qualified yesterday readers. Some of these may also have read on other days during the past week, but they were not questioned about classified advertising readership on other days. In this table "past week" denotes "did not read (a newspaper in the interviewer's kit) yesterday, but read in the past week".

Table 7

General Attitudes Toward Classified Advertising
(by demographics)

	Percent with Positive Attitudes on:		
	Helpful	Easy to Find What You Want	A Good Place to Advertise
Total adults	66%	67%	70%
By sex:			
Men	63%	68%	69%
Women	69	67	71
By age:			
18-24 years	62%	69%	74%
25-34 years	67	62	72
35-44 years	66	74	71
45-54 years	73	75	72
55-64 years	68	66	68
65 years or older	64	64	67
By education:			
College graduate	60%	67%	67%
1-3 years college	73	72	73
High school graduate	66	67	70
Some high school or less	68	67	73
By household income:			
$35,000 and over	68%	75%	70%
$25,000 - $34,999	74	76	74
$15,000 - $24,999	62	61	70
Under $15,000	64	66	70
By newspaper edition read yesterday:			
Weekday edition	70%	74%	74%
Sunday edition	73	77	73

Question: Using this scale from one to five, with five meaning "extremely good" and one meaning "extremely poor", how would you rate classified advertising in the newspaper on: making it easy to find what you want? being helpful? being a good place to advertise things you want to sell?

(Figures shown represent combined "4" and "5" ratings.)

APPENDIX

DESCRIPTION OF RESEARCH

This report, one of three on consumer usage of classified advertising in daily and Sunday newspapers, is based on the results of a national, in-home survey of 1,174 adults conducted by Response Analysis of Princeton in the spring of 1986.

Purpose

For each of the three major categories of classified advertising (automotive, employment and real estate) the research had similar goals: to estimate the size of the classified audience on a typical weekday or Sunday and over a seven-day week; to determine the percentage of adults who are likely to be active or secondary prospects at any given time; to relate prospect status to readership of the relevant classified category and intentions to follow up on the advertising; to check the extent of continuing interest in cars, jobs and housing among the adult population; and to investigate general attitudes toward the classified medium.

Method and Sample

The research utilizes personal, in-home interviewing in one hundred primary sampling units (PSUs) across the United States (excluding Alaska and Hawaii). Response Analysis supervised sampling and stipulated the

procedures for selecting households and respondents. (Only one adult was interviewed in each household chosen.) Up to four calls, or three callbacks, were made in order to complete interviews with designated respondents.

In the screening phase of the interview, respondents were asked about their current level of interest in buying a car, finding employment, and buying or renting a house or apartment. Screening also included questions about daily and Sunday newspaper readership over the past seven days.

Respondents who reported reading yesterday's edition[1] of a daily or Sunday newspaper were shown specific classified headings in that edition and asked about their reading, interest and follow-up of ads under each heading.[2] Those who had not read yesterday's newspaper were shown a card listing the most common automotive, employment and real estate classifications and asked which of these they recalled reading the last time they had read a newspaper. The analysis of classified readership was limited to respondents reading a newspaper within the last seven days.

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1) Interviewing was conducted Monday through Saturday. In order to collect information on Sunday section and insert readership, about twice as many respondents were interviewed on Monday as on any other single day.

2) Yesterday's newspaper pages carried in the interviewer's kit included all newspapers with a circulation-to-household ratio of 10% or more in that locality. Respondents who had read one of the newspapers in the interviewer's kit were designated as "qualified" yesterday readers. Respondents who had read a yesterday edition <u>not</u> included in the interviewer's kit were treated as "past week" readers.

Field Experience

Interviews were completed with 1,174 respondents, resulting in a response rate of 65%, as follows:

Total Housing Units Assigned	1,932
Vacant, nonexistent	-135
Eligible units (= 100%)	1,797
Completed interviews	1,174
Not interviewed:	
Refusals	242
Other (Not at home, illness, etc.)	381
Total not interviewed	623

Verification

A systematic sample of approximately 15% of interviews was verified through brief telephone interviews. Verification was undertaken to determine whether the interview was actually completed with the designated respondent and to assure that it covered the appropriate subject matter. The verifications revealed no evidence of questionable work on the part of the interviewers.

Weighting

A two-stage weighting procedure was used. In the first stage each respondent was given a weight inversely proportional to his or her probability of household selection and inversely proportional to the response rate in the stratum to which his/her location was assigned. (For this survey a stratum was defined by Census region with these first-stage strata: 25 most populous MSAs, other MSAs, and non-MSA counties.)

In the second stage of balancing, sample proportions were weighted to bring them into line with 1984 Current Population Reports projections for race, Hispanic origin, age, sex, and education.

Sponsorship

Newspaper Advertising Bureau, Inc., developed the questionnaires, specified the research design, commissioned the field work and analyzed the data. This report was written by Charles Lehman of NAB's Research Department. Copies of the questionnaires and additional details on sampling and interviewing procedures are available on request.

Appendix Base Table 1

Unweighted Bases for Total Respondents, Yesterday Readers and Past Week Readers, by Demographics

	Total Respondents	Yesterday Readers*	Past Week Readers*
Total adults	1,174	613	281
By sex:			
Men	504	282	119
Women	670	331	162
By age:			
18-24 years	141	59	42
25-34 years	283	131	89
35-44 years	215	117	58
45-54 years	154	90	29
55-64 years	157	90	31
65 years or older	215	123	28
By education:			
College graduate	199	123	59
1-3 years college	241	138	70
High school graduate	420	228	92
Some high school or less	298	121	54
By household income:			
$35,000 and over	219	152	51
$25,000 - $34,999	159	99	39
$15,000 - $24,999	233	125	63
Under $15,000	401	159	89

*Bases shown for yesterday readers refer only to "qualified" readers who had read a newspaper included in the interviewer's kit. Other yesterday readers were treated as past week readers.

Appendix Base Table 2

Qualified Yesterday Readers with Automotive Classification in Newspaper

	Net (Any Automotive)	New Cars	Used Cars
Total adult readers	598	577	582
By sex:			
Men	274	264	267
Women	324	313	315
By age:			
18-24 years	57	56	55
25-34 years	126	122	123
35-44 years	116	111	115
45-54 years	86	81	83
55-64 years	88	85	86
65 years or older	122	119	117
By education:			
College graduate	115	111	114
1-3 years college	134	131	132
High school graduate	226	217	217
Some high school or less	121	116	117
By household income:			
$35,000 and over	143	139	141
$25,000 - $34,999	97	93	95
$15,000 - $24,999	123	120	122
Under $15,000	157	152	148
By newspaper edition read yesterday:			
Weekday edition	424	404	408
Sunday edition	174	173	174

(All bases shown are unweighted.)

Appendix Base Table 2 (continued)

Qualified Yesterday Readers with Automotive Classification in Newspaper

	Trucks	Sports Cars	Recreational Vehicles
Total adult readers	590	505	585
By sex:			
Men	269	241	270
Women	321	264	315
By age:			
18-24 years	55	46	55
25-34 years	125	108	123
35-44 years	115	95	114
45-54 years	85	73	84
55-64 years	87	73	85
65 years or older	120	108	121
By education:			
College graduate	114	100	112
1-3 years college	134	105	133
High school graduate	222	189	220
Some high school or less	118	109	118
By household income:			
$35,000 and over	142	116	141
$25,000 - $34,999	96	82	96
$15,000 - $24,999	121	103	120
Under $15,000	153	138	152
By newspaper edition read yesterday:			
Weekday edition	416	352	413
Sunday edition	174	153	172

(All bases shown are unweighted.)